Gay Alliance sues the city over tax status

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By GARY CRAIG
Times-Union

The Gay Alliance of the Genesee Valley is suing the city of Rochester because the city refused to grant tax-exempt status for alliance offices.

The group sought tax-exempt status for its offices and community center at 179-183 Atlantic Ave.

The Alliance's application did not fall within state requirements for tax-exempt property, city officials claim.

The Alliance maintains that it is a "charitable" and "educational" organization, categories that would allow it a tax exemption. The Alliance also claims that it falls into another tax-exempt category for organizations providing "moral and mental improvement to men, women and children."

"The legal history of that category indicates it was designed to cover YMCA-type organizations and Scouting-type organizations," said Susan Hauser, an attorney for the city.

Alliance President Paul Scheib said yesterday that the organization felt sure it would receive the exemption because it has been granted a federal tax exemption from income taxes.

"We don't see why that doesn't extend to the property," Scheib said.

The Alliance is an advocacy organization for the gay and lesbian community.

"We don't see that our mission is different from other organizations that have been granted tax exemption," Scheib said.

The Ibero-American Action League, for instance, is a Hispanic-oriented social service agency that receives an exemption, Scheib noted.

The Alliance was denied tax-exempt status by a city assessor in March. The group requested a review by the city's Board of Assessment Review, which also denied the exemption.

The Alliance, in turn, sued the city last month in state Supreme Court. A hearing is scheduled for Oct. 24.

Hauser said the city has not previously confronted the issue of whether to give a gay organization tax-exempt status. She said she has not found a New York court ruling on whether gay organizations should be granted exemptions under state law.

Hauser said the city must abide by the state laws when granting exemptions.

"We really don't like to be in the position where people feel they are being treated differently," she said.

"I don't know that there's a bias," Scheib said. "I think that within . . . (the city attorney's office) they don't see us falling within the statute."

Tax exemption prompts Mains to study city history

By GARY CRAIG
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The city's decision to deny property tax exemption to the Gay Alliance of the Genesee Valley has prompted City Councilman Tim O. Mains to study the city's history in granting exemptions.

Mains, a founding member of the Alliance, said he is not now disagreeing with the decision to deny an exemption, but wants to see whether the process appears fair.

"Right now, for openers, I want to see the list" of groups denied exemptions, Mains said.

Mayor Thomas P. Ryan Jr. said last night that many assume that all non-profit organizations can get tax exemptions on property. Instead, an organization must meet state requirements for tax exemption on property taxes.

"It is not applied selectively," Ryan said.

The Gay Alliance has sought tax-exempt status for its offices and community center at 179-183 Atlantic Ave. However, a city assessor and the city's Board of Assessment Review decided the organization did not meet state criteria for the exemption.

The Alliance, in turn, sued the city last month. An Oct. 24 hearing is scheduled for state Supreme Court.

Among the types of organizations for which state law allows property tax exemptions are those deemed "charitable" or "educational." The Alliance, an advocacy organization for the gay and lesbian community, says it meets those criteria, as well as another that allows exemptions for organizations providing "moral and mental improvement to men, women and children."

Mains said the exemption appears to be a recurring problem. Last year, several neighborhood organizations were denied exemptions, then later were granted them.

OFFICIALS point to test ar- to attend the meeting.